

FACT SHEET

OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC)

Middle East Investment Initiative (MEII)

July 25, 2007

- The \$228 million Middle East Investment Initiative (MEII) has been in development since early 2005. The Aspen Institute, a U.S. non-profit organization, serves as the US sponsor.
- The MEII is designed to address the challenges of limited access to long-term finance in the West Bank, which is a substantial barrier to the development of the local private sector.
- The MEII consists of a \$110 million guaranty from OPIC, a \$50 million guaranty from the Palestinian Investment Fund (PIF) and up to \$10 million from the Aspen Institute. The remaining capital is mobilized by the involvement of Private Financial Institutions (PFI) which will make the loans.
- PFIs will include commercial banks, microfinance institutions and non-governmental organizations.
- The Palestinian Monetary Authority (PMA), which regulates banking operations in the West Bank, will ensure the basic credit worthiness of the private sector institutions that will participate in the MEII.
- CHF International, a U.S. NGO, will manage the initiative locally and work with the PFIs, as they extend loans.
- The MEII will provide a critical flow of capital to small businesses in the West Bank through loans issued by PFIs operating in the West Bank. These loans will be guarantied by OPIC and the Palestinian Investment Fund (PIF).
- The MEII will catalyze private sector business development and expansion, and promote job creation and economic growth.
- It is anticipated that the majority of the loans will go to small and family-owned businesses.